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RMR	TO: Secretary of State
SS	REF: Bonn's 0-252, September 29, 1950.
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G	Amonegen: Phenen, Dursseldonf, Fr. Harburt, Harburd, Munich, Stuftdart,
SP C	USIJER.
L	Following is summary of events and atmosphere in FedRep in recent
IO	wedge. Post important is threatened Soviet move to strengthen status of
INR	OTH Which dominates scene today and will have profound effect on further of
H	developments. Since summary of September 29 (ref airgram) Chancellor A)
P	has been beset by dissidence on foreign policy in his own party, by
UOP	election compaigns in Hosse and Bavaria, by revolation of conversations
TRC	between his Minister of Justice and Soviet Ambassador in East Berling by

This has been period of strain between Chancellor and CDU leaders seeking new look inforeign policy. Gerstommeier, Kissinger, Lemmer, Gradl and their friends, worked with Opposition, each in his own way and for his own reasons, to produce Eundestag resolutions of July 2 and October 1. This led to position in Bundestay Foreign Affairs Committee which forced Federal Government, in reply to Soviet note of September 18, to keep door open to peace treaty negotiations as step toward solution German problem. This was expressed in principle of "no negative limitations" on tasks of Foul-Commission in German reply to Soviets November 17. Formulation was accepted by all but like phraseology of mand joint bundestag resolutions, it covers over real differences of approach to reunification. Chancellor is probably no more willing now than before to abandon principle of free elections but, unable or unwilling to override Bundestag directly, has left it for Western power to defend established positions if Four Power Commission formed. such negotiations we have no reason to believe Chancellor would take different or weaker position than heretofore and he continues have the docisive voice and on this issue, can command solid support of party with exception small number intellectually active, personally ambitiou and prominent CDU personalities. Mass of public shows no sime enhanced interest either in reunification or in experiments with Soviets, None of CDU dissidents really believe Sovs are ready to reunite Cermanic but these men take position: (1) it is unreasonable to expect Soviets to accept German reunification without prior East-West agreement on international status of United Germany: (2) intellectual levels of

problems, particularly on FTA, in relations with Britain and France, and

now with this new and dangerous Soviet gambit.

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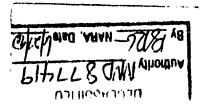
pepalation in parties and especially in press realise point 1; and (3) it is, therefore, better politics for CDU to be on record as having position Soviets might conceivably accept rather than one which German intelligenteia believes Soviete cannot accept under any circumstances.

Interparty collaboration which produced Bundestag joint resolution of July 2 on reunification was strained at the Berlin session of the Bundestag by a proposal, born in the Heinemann element of the SPD, for an "Office for Internal German Quaeticus" to be responsible for coordination of all contacts between the FedRep and the CDR. The Coordinator was to have ministerial rank but was not to be part of the Government and would have his office in Berlin. The CDU rejects the idea as constitutionally impossible and politically dangerous. The CDU rejects the idea as constitutionally impossible and politically dangerous. The step toward dealing with the CDR at a political level, the very thing from which he hopes to hold the SPD back by his policy of interparty collaboration. This question continues to be the principal subject of those interparty meetings, under Lemmer's anspices, which have been severely criticized in CDU faction by Chanceller.

Direct negotiations with Fankow continue to be shunned by all parties but there is a strong view that the USSR can never agree to reunification without GER participation and, therefore, weight is given to German participation should the Four Power Commission meet. However, Chancellor's opposition to dealing with GER was brought into public question by revelation of adventures of his Minister of Justice Fritz Schaeffer in Pankow in 1956. Real facts of the case are still obscure but all accounts agree that Schaeffer did arrange to call on Ambassador Pushkin through an East German official, that discussions probably with both East Germans and Soviets concerned the division of Germany and how to overcome it, and that the Chancellor knew about the meeting but did not (or could not) prevent it. The East Germans threaten to reveal more if Schaeffer does not do so.

Soviet moves to build up the GDR. Khrushchev's attack on the Potsdem Agreements and the status of Berlin created uncase which led even the Opposition to put new stress on close ties with the West. There is a certain tension in the air as the Soviets' next move is awaited. Ollenhauer, for one, has said privately that if to assure access to Berlin, the alternative to use of force is dealing with the ODR, surely some formula could be found, perhaps by treating the CDR officials as agents of the CSSR. ODU leaders oppose any form of recognition CDR or backing down before Soviet the EDR pressure.

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The principal internal effect of the Khrusheler speech has, however, been to dampen to a certain extent enthusiasm for now foreign policy approaches even, apparently, in the SFD. It is unfortunate and perhaps not entirely coincidental that the current Seviet move comes at a time when the cool reception of President Rouss in London, General de Caulle's proposal for NATO recryanisation, and the breakdown of FTA negotiations raised some doubts about the strength and stability of the Western alliance. Garman position on MEE FTA has been embiguous with Chanceller and Foreign Minister ancieus to avoid any strain in relation, with France; and his economic experts tending stress both occnomic and political importance of pushing French to agree to larger area. Chanceller's meeting with de Caulle may be decisive on this issue.

Khrushchev's statement on Berlin, by proving the Chanceller "right again" about Seviet intentions, may also have strengthened the CDU/CSUAs chances in Bessian elections and its already sure voictory in Bavaria. Chanceller has thrown bimself into the election campaigns with obvious sest. In Bavaria he said that shoer speaks with the tene and vecabulary of the SFD and that what the SFD needs is greater devotion to Cormany's interests. In Besse he declared that these remarks seemed too mederate and repeated that SFD policies can only lead to disaster. The Chanceller's friends welcome this and are confident that in these elections, as in MBW and Schleguig-Balatein, black and white differences and all out political var will rouse the apatients voters and held back any who might be inclined to drift may from the CDU. The less personally loyal collegues say that public although still devoted to Adequate, is tired of bitterness of such campai are and inclined to discount his one gerations.

SPD is, of course, outraged at these insults and, in the frustration of repeated defect, tends to talk of the return to a one-party state and of their conflusion from a proper role in the state. Much of this, however, is election talk and SPD leaders at both national and local levels are mare that their can future and that of party depend on avoiding irresponsible policies. They will continue to accuse the Government and its leaders of contempt for the Gorman democracy and its institutions. Charges of corruption in high places are already making good newspaper copy and are due for Bundestay debate.

SFD irritation was increased when Minister of Interior Schroder called publicly for an Emergency Powers law and for reorganisation of Office for rectation of Constitution into what he referred to, unfortunately, as a

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"Stantssicherheitsdienst" (State Security Service, a term with Nami overtones). His terminology and tactics of public announcement without consultation added to the SPD's personal antagonism to Schrooder and they will oppose this legislation on grounds it is an effort to get police state powers into his hunds.

Further developments depend largely on next Soviet moves. threats to Berlin prove as serious as they seem, they will overshadow all other aspects of German-Soviet relations and reinforce Adenauer's policies of Western alliance and firmess against Soviet threats. If an atmosphere exists in which negotiations seem possible, and if the Soviets react negatively to the Federal Republic's note of November 17, the "new approach" advocates may press again for negotiations on a peace treaty along. They will meet solid resistance from the Chancellor and his loyal supporters but their steady pressure makes for unrest and a public impression of disunity. If a Four Power meeting were ever to come about, the real problems of a peace treaty, for instance border questions, might lead to some second thoughts among CDU dissidents. Conclusion of the election campaign, the approach of the holiday season, and a desire to appear united in all-German questions while these are active internationally, should calm internal squabbles. In the Bundestag social legislation will take much time and presentation of the budget and possibly debate on the Schaeffer case are the only major items now foreseen before the new year.

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